



Ahold Delhaize USA is marking a milestone in its supply chain transformation to create an integrated self-distributed supply chain of the future. The first distribution center, Freetown Grocery in Massachusetts, transitioned procurement from a third-party vendor to the self-managed network, providing direct control of inventory and replenishment at this facility.

“Our work to transform the supply chain to an integrated self-distribution model of the future is not only on-time but ahead of schedule,” said Chris Lewis, EVP of supply chain for Retail Business Services, Ahold Delhaize USA’s services company. “Today marks an important milestone in our journey with the transition of procurement at this facility, and we’re looking forward to other facility transitions this year. On top of that, we’ve launched new programs to begin to help us as we optimize the network at scale.”

Freetown Grocery was founded in 2004 and is a 1.1 million-square-foot facility fulfilling grocery demand for the Stop & Shop brand. Stop & Shop continues to own the facility and fulfill orders while ADUSA Procurement manages replenishment and inventory.

“This transition is an important one for the Stop & Shop brand because it gives us more control and ultimately enables us to better serve our stores and our customers at more than 200 Stop & Shop locations across Massachusetts, Connecticut and Rhode Island,” said Jim Labrecque, VP of distribution operations at Stop & Shop.

This is one of six distribution centers to transition services into the self-managed network in 2021. In addition to Freetown Grocery, a fresh facility in Freetown, Massachusetts, a distribution center in Jessup, Maryland, and a distribution center in Carlisle, Pennsylvania, also will transition procurement services into the self-managed network in 2021. Also, ADUSA Distribution will open new facilities in Mauldin, South Carolina, and Manchester, Connecticut. Construction is also well underway for two new fully-automated frozen facilities.

In addition to the facility transitions, other key aspects of the transformation like evolving digital and technology, scaling procurement and modernizing ways of working are also well underway, including the new ADvantage program. An industry-leading vendor collaboration program, ADvantage is designed to drive better collaboration between Ahold Delhaize USA companies and suppliers, delivering growth, innovation and efficiency across the supply chain from product origin to a customer’s hands.

“By working smarter with suppliers through ADvantage, we will be able to drive a new era of collaboration to open new opportunities and create efficiencies,” said Lee Nicholson, SVP of procurement for ADUSA procurement and head of the ADvantage Program. “The program officially launched on Jan. 1 with nearly 200 suppliers participating. We’re already seeing results from the increased focus on collaboration and driving mutual growth.”

In December of 2019, [Ahold Delhaize USA](#) announced plans to transform and expand supply chain operations on the U.S. East Coast, which includes a three-year strategy to move the U.S. supply chain into an integrated, self-distribution mode. This transformation will enable the U.S. businesses to reduce costs, improve speed to shelf, enhance relationships with vendors and improve product availability and freshness for customers.